

## Message Text

CONFIDENTIAL

PAGE 01 BRUSSE 11489 091651Z

ACTION EB-08

INFO OCT-01 ARA-10 EUR-12 EA-10 ISO-00 AID-05 CIAE-00

COME-00 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00

XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 INRE-00

SSO-00 IGA-02 /077 W

-----032468 091710Z /43

O 091643Z SEP 77

FM AMEMBASSY BRUSSELS

TO SECSTATE WASHDC IMMEDIATE 1740

INFO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY CARACAS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

C O N F I D E N T I A L BRUSSELS 11489

USOECD ALSO FOR EMBASSY

ALSO FOR USEEC

E.O. 11652: GDS

TAGS: EFIN, PO, BE

SUBJECT: FINANCIAL ASSISTANCE FOR PORTUGAL

REF: (A) STATE 211910, (B) BRUSSELS 8249

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PAGE 02 BRUSSE 11489 091651Z

1. EMBASSY IS PREPARED TO APPROACH BELGIANS AS IN-  
STRUCTED REFTEL A TO ADVISE GOB OF FORTHCOMING U.S.  
REPORT AND ASK FOR WHATEVER DETAILS ARE AVAILABLE ON  
THE BELGIAN PLAN. AS INDICATED REFTEL B, HOWEVER,  
DEPARTMENT SHOULD APPRECIATE THAT ONCE WE CIRCULATE  
DETAILS OF THE CURRENT BELGIAN OFFER, IT WILL PROBABLY  
BE IMPOSSIBLE TO OBTAIN ANY INCREASE IN IT.

2. THAT SAID, EMBASSY IS NOW INCLINED TO RECOMMEND THAT THE U.S. ACCEPT THE MODEST BELGIAN ROLE IN THIS CONSORTIUM AND SIMPLY URGE THE BELGIANS TO INFORM OTHER PARTICIPANTS OF THEIR DECISION--EVEN IF THIS DOES PUT THE DECISION IN CONCRETE. CONFIRMATION OF EVEN A MINIMAL BELGIAN CONTRIBUTION MAY HELP KEEP THE OVERALL CONSORTIUM ON THE TRACKS. FURTHERMORE, AND DESPITE WHAT FOREIGN MINISTRY OFFICIALS TOLD US IN EARLY JULY (SEE BRUSSELS 7463), WE HAVE HAD NO RPT NO INDICATIONS SINCE FROM THE MFA THAT IT INTENDS TO REOPEN THE MATTER. ON THE CONTRARY, DIRECTOR GENERAL GROOTHAERT TOLD US RECENTLY THAT BELGIAN PARTICIPATION AT \$3 MILLION OF GUARANTEE AUTHORITY WAS REAFFIRMED BY THE CABINET IN MID-JULY, AND THAT HE (GROOTHAERT) NOW CONSIDERS THE SUBJECT CLOSED. OTHER HIGH-RANKING OFFICIALS IN THE FINANCE MINISTRY AND THE PRIME MINISTER'S OFFICE HAVE ALSO TOLD US INFORMALLY THAT FURTHER PRESSURE FROM THE U.S. ON THE PORTUGAL PROGRAM COULD POSSIBLY HAVE ADVERSE EFFECTS ON BELGIAN READINESS TO BE COOPERATIVE ELSEWHERE, FOR INSTANCE IN PEACEFULLY BURYING THE OECD SAFETY NET AND IN SECURING A SIGNIFICANT BELGIAN CONTRIBUTION TO THE ZIMBABWE DEVELOPMENT FUND (ZDF). AT THE SAME TIME, THESE OFFICIALS, INCLUDING THOSE FROM THE FINANCE MINISTRY, HAVE ALSO SAID THAT BELGIUM MIGHT BE ABLE TO MAKE A LARGER CONTRIBUTION TO THE PORTUGAL FUND IN 1978.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BRUSSE 11489 091651Z

3. GIVEN THESE CONSIDERATIONS, EMBASSY BELIEVES THAT, WHILE CONTINUING TO EXPRESS IN LOW KEY OUR DISAPPOINTMENT WITH THE LEVEL OF BELGIAN PARTICIPATION IN THE PORTUGAL FUND THIS YEAR, WE SHOULD NOT RPT NOT APPLY ANY MORE DIRECT PRESSURE TO GET IT RAISED (AS PER STATE 155135). WE WOULD LIKE TO HAVE THE DEPARTMENT'S VIEWS AND GUIDANCE RESPECTING THIS RECOMMENDATION BEFORE WE APPROACH THE BELGIANS FOR INFORMATION REQUIRED BY REF A. CHAMBERS

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## Message Attributes

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**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Disposition Approved on Date:**  
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**Disposition Date:** 22 May 2009  
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**Original Handling Restrictions:** n/a  
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**Reference:** 77 STATE 211910, 77 BRUSSELS 8249  
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**TAGS:** EFIN, PO, BE, US  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009